

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:4101
ANSWERED ON:14.12.2001
EXCISE DUTY ON TEXTILE SECTOR
A.K. PREMAJAM

Will the Minister of TEXTILES be pleased to state:

- (a) Whether the working group on Textiles and Jute Industry has recommended a uniform 8 percent excise duty for the entire textiles sector for next five years as a special dispensation;
- (b) If so, the reaction of the Government thereto;
- (c) Whether the total textiles imports during the last fiscal year has increased substantially, but the exports were not increasing at the same rate; and
- (d) If so, the reasons therefor?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

- (a) & (b) Yes, Sir. The Working Group on Textile & Jute Industry for 10th Five Year Plan (2002-07) has recommended a number of measures to promote and develop the Indian textile industry for consideration of the Planning Commission. One of them is to broaden the tax net to link all stages of textile production i.e. from fiber to the fabric stage by reducing the excise duty structure to a uniform level of 8 percent.
- (c) & (d) No, Sir. During the last fiscal year 2000-2001, the total textile exports, in value terms, registered a rise of 27.5 per cent over the previous year as against a decline of 25.2 per cent in total textile imports, in value terms, for the same period.